

DRIPPING SPRINGS ISD

**Final Board Budget
Presentation**

2013-2014

May 28, 2013

VISION



**To inspire and equip students to
be life-long learners and positive
contributors to the world**



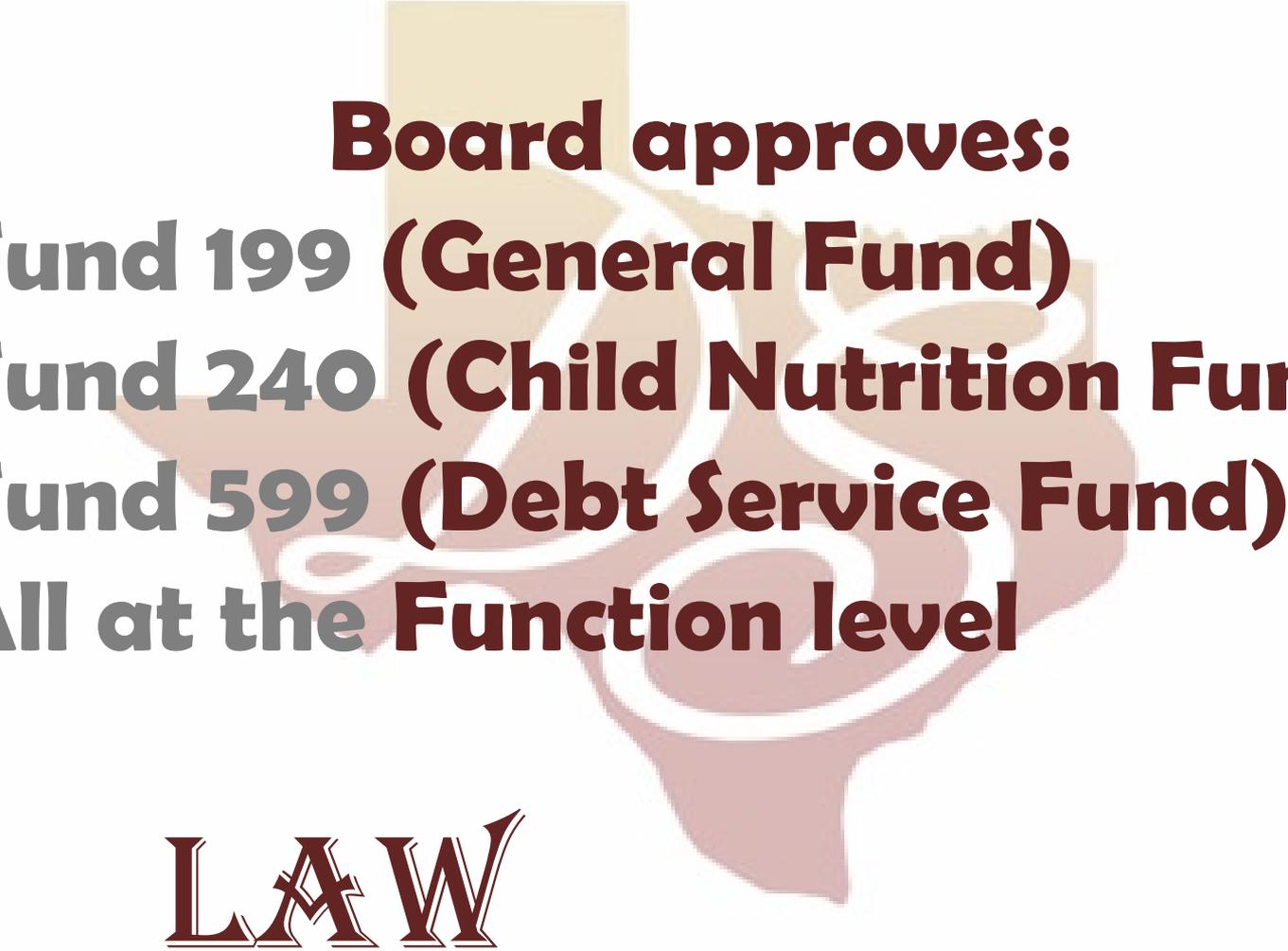
**We partner with parents and the
community to provide a superior
education for every student**

MISSION

A stylized map of Texas is shown in a light brown color. Overlaid on the map are the letters 'LIS' in a large, white, cursive font. The 'L' is on the left, the 'I' is in the middle, and the 'S' is on the right, all overlapping the map's outline.

**Strong Leadership
Empowerment
Collaboration**

GOVERNANCE



Board approves:

- **Fund 199 (General Fund)**
- **Fund 240 (Child Nutrition Fund)**
- **Fund 599 (Debt Service Fund)**
- **All at the Function level**

LAW

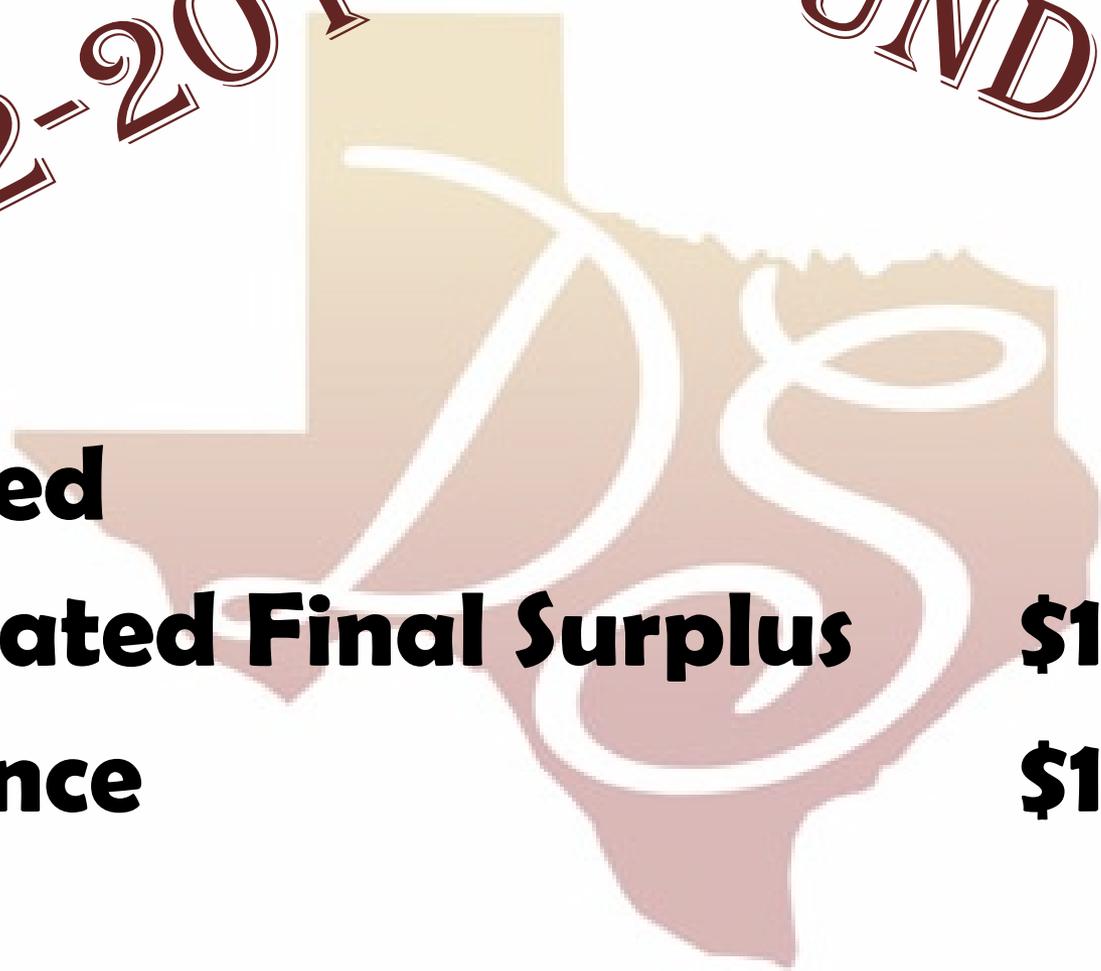
2012-2013

FUND 199

Projected Deficit	\$(1,167,460)
Anticipated Final Surplus	\$300,207
Difference	\$1,467,667

2012-2013

FUND 240



Projected	\$0
Anticipated Final Surplus	\$100,000
Difference	\$100,000

2012-2013

FUND 599

Projected	\$921,568
Anticipated Final	\$921,568
Difference	\$0

2013-2014

FUND 199

Balanced Budget

\$0



2013-2014

FUND 240

Balanced Budget

\$0



2013-2014

FUND 599

Projected Surplus

\$2,319,954

Note: This is a low principal year. This surplus will be used to replace fund balance used to buy down debt this spring

•The biggest change for 2012-2013 and 2013-2014 is a reduction in the Chapter 41 payment due to the changes made by SB1 from last session, an increase in our WADA, and slowly increasing appraisal values (1 year behind).

**PROJECTED
REVENUE**

MAJOR CHANGES

2013-2014

REDUCTIONS

- **Utility Cost Avoidance - \$260,000**
- **Reduced Chapter 41 Payments - \$900,000**

MAJOR CHANGES

2013-2014

ADDITIONS

- **8 Teaching Positions - \$480,000**
 - **1 @ PK-5**
 - **3 @ 6-8**
 - **4 @ 9-12**
- **Based on Staffing Ratios and Growth Scenarios**

MAJOR CHANGES

2013-2014

ADDITIONS

- **Increase Nurses Back to 100% - \$50,000**
- **Full Time School Resource Officer (SRO) - \$60,000**
 - **Stationed at DSHS**
- **1 High School Counselor - \$65,000**
- **1 Middle School Assistant Principal - \$65,000**
- **1 Gifted and Talented Teacher - \$60,000**
 - **1 @ PK-5**

MAJOR CHANGES

2013-2014

ADDITIONS

- **1 Athletic Trainer - \$60,000**
 - **1 @ 6-12**
- **2 Facilitators of Learning and Innovation- \$120,000**
 - **2 @ PK-5 (All three Elementary Libraries transform into “Centers for Learning and Innovation”, keep paraprofessionals)**
 - **Additional support & training from HS Library Media Specialist**

MAJOR CHANGES

2013-2014

ADDITIONS

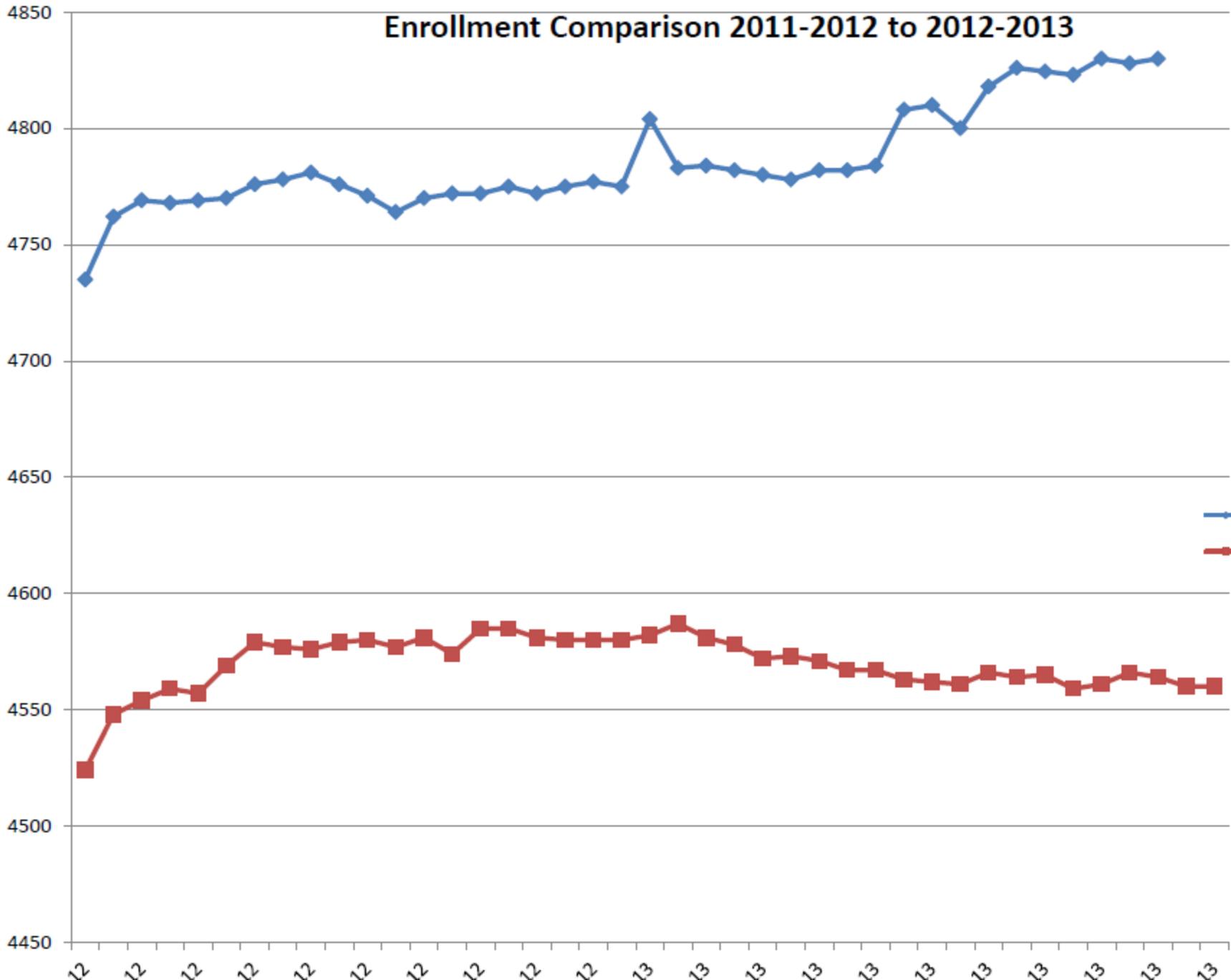
- **3% Salary Increase - \$670,000**
 - Increase is 3% of midpoint for all employees
 - For teachers, nurses, librarians they return to the step but this year's increase is 3% inclusive of step
- **All bus routes will return to 0.5 mile pickup instead of 1.0 mile pickup - \$70,000**
- **Addition of Superintendent Secretary - \$26,000**

<i>Description</i>	<i>2012-2013</i>	<i>2013-2014</i>	<i>Difference</i>
ADA	4,504	4,716	212
WADA	5,221	5,421	200
Assessed Values	\$2,292,912,009	\$2,425,019,149	\$132,107,140 (5.76%)
M&O Tax Rate	\$1.04	\$1.04	0
I&S Tax Rate	\$0.45	\$0.45	0
Total Revenues	\$33,234,900	\$34,558,024	\$1,323,124 (3.98%)
Total Expenditures	\$34,402,360	\$34,558,024	\$155,664 (0.45%)
Net Change in Fund Balance	(\$1,167,460)	\$0	NA

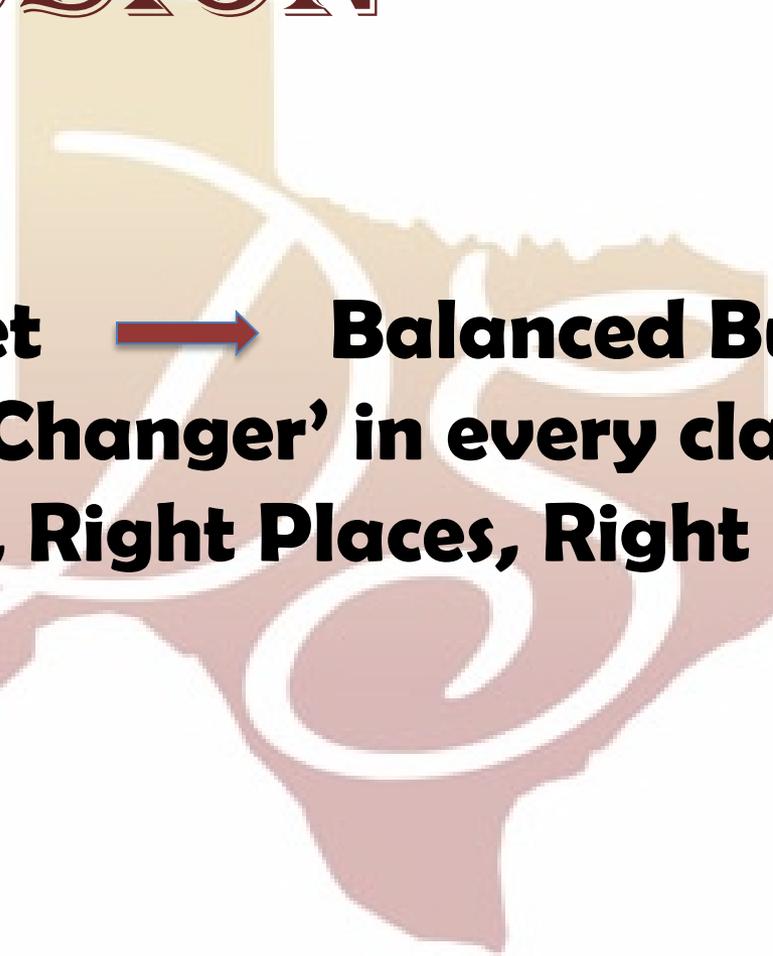
COMMENTS

- **We don't know the final outcome of the legislature (the Governor has until June 16 to veto, sign, or let legislation become law without his signature) or the school finance law suit (could be a year or more)**
- **One thing we are not doing that we should be doing is refreshing technology**
- **We are watching the enrollment spike carefully**

Enrollment Comparison 2011-2012 to 2012-2013



CONCLUSION



- **Deficit Budget** → **Balanced Budget**
- **Place a 'Life Changer' in every classroom**
- **Right People, Right Places, Right Work**

QUESTIONS/COMMENTS

1. What were the primary issues raised by community members during the District's budget presentations made at the Community Leaders Breakfast, the Community Budget meeting, and the District Advisory Council and how did we address these concerns?
 - A. For the most part there was a collective sigh of relief that we are able to add back most of what was cut the last two years and still balance the budget without dipping into fund balance. The main concern I heard was for our staff. They appreciate the proposed 3% raise, but worry about health care costs as well as potential increases in TRS contributions. They are happy we are returning the SRO position as well as getting nurses back to 100%. There is still some concern about class sizes and keeping the ratio at 26:1 at grades 6-12. We explained our constraints in chasing healthcare or retirement contributions. We also talked about what we've learned regarding scheduling at MS and HS this year and how we are improving that process through better alignment and communication between MS and HS as well as the impact of the academies on HS schedules.

QUESTIONS/COMMENTS

2. Could you please clarify the net savings in 2012-2013 and the budgeted savings for the 2013-2014 budget of the Energy Management Program. I'm not clear based upon your document if it is a net \$20k or net \$240k.
- A. In 2012-2013 we budgeted only for the \$240,000 expenditure for this program. We did not budget any cost avoidance. In 2013-2014 we continue to budget the \$240,000 expenditure, but have now included \$260,000 in cost avoidance as part of the utility line item for a net gain in the budget of \$20,000. As you've seen from our numbers this is a conservative approach.

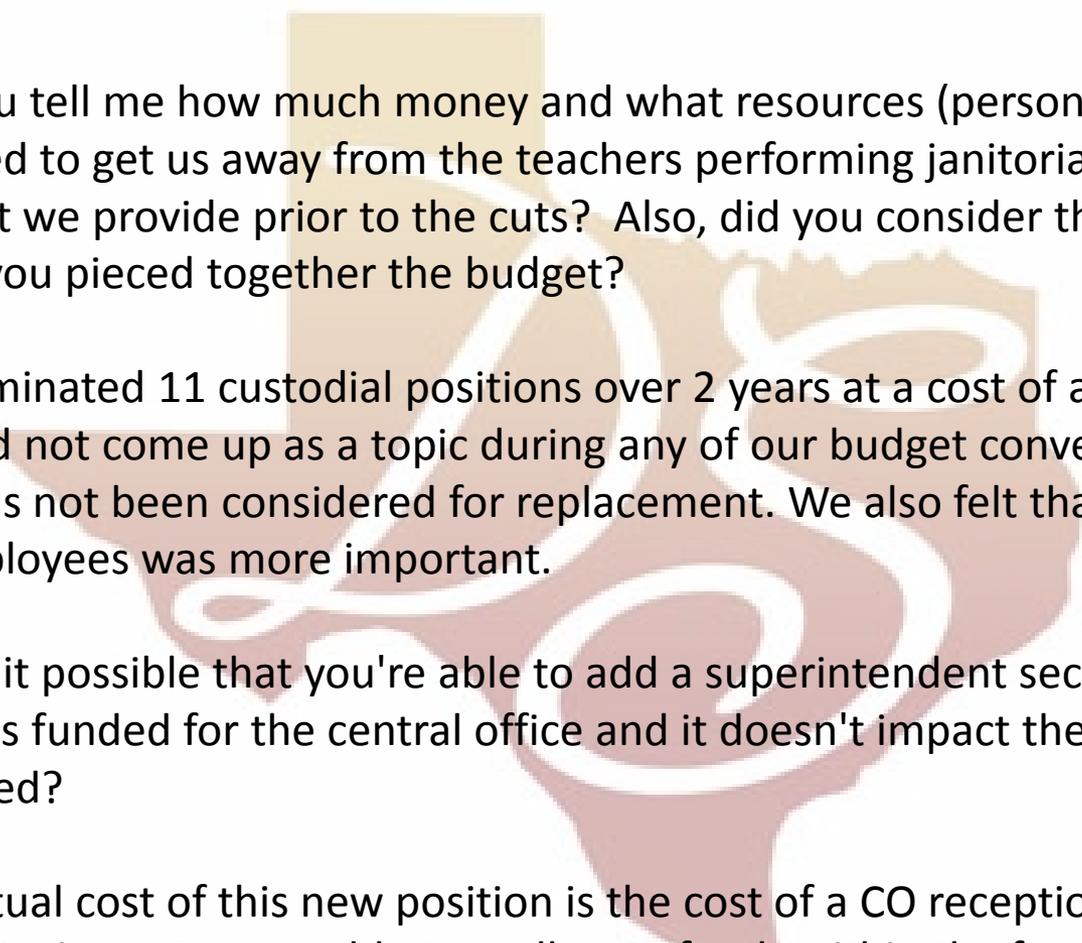
QUESTIONS/COMMENTS

3. The Texas Tribune has released a 2014-2015 School Finance Budget Viewer that shows how each district fares under the SB 1 proposed budget. The Senate approved the conference committee report yesterday and the House is expected to do so today though nothing ever really goes as expected in the House as I am sure you know. It looks like we should expect to receive another \$1 million in WADA. As I recall, your budget memo indicated that you weren't expecting much of a change in our WADA for 2014-2015. Do these numbers impact that decision at all?

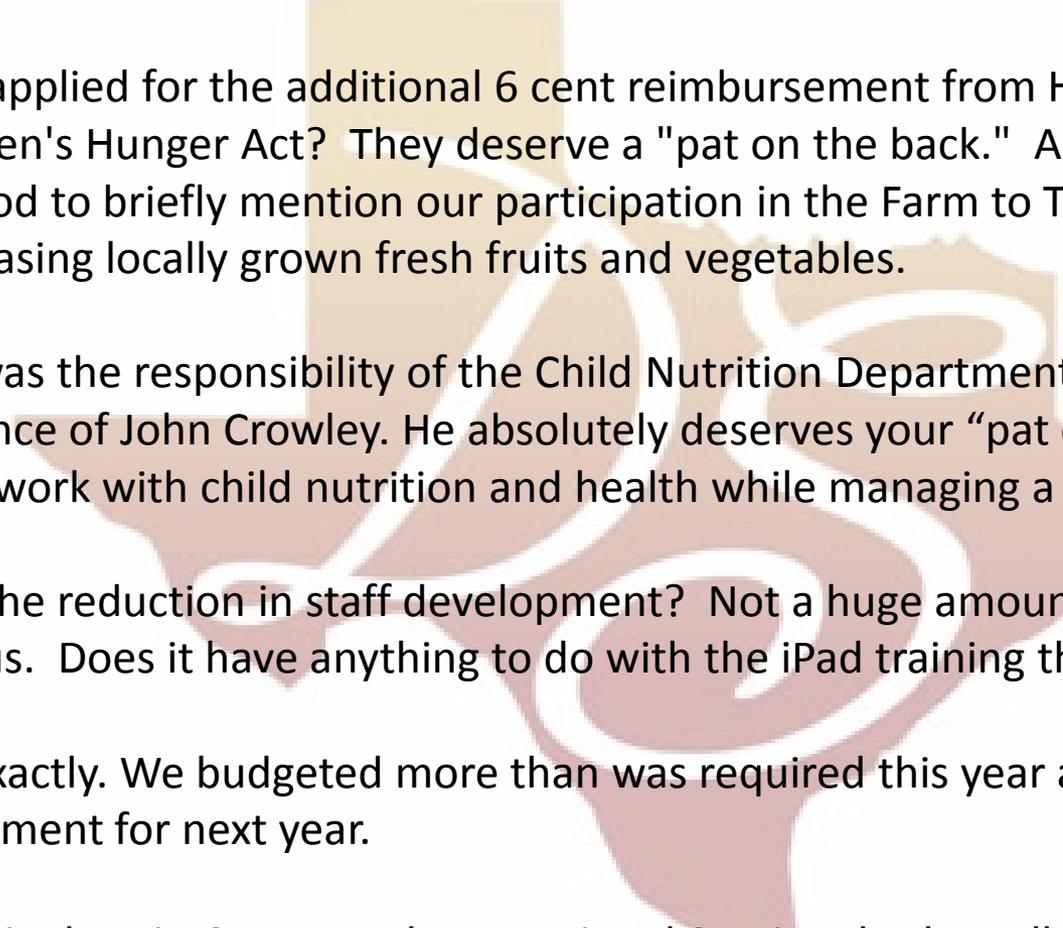
A. No, for several reasons:

- A. The Texas Tribune does not have access to specific enough information to run the template for every district in the state. Even if they did, the template will change significantly over the coming months as Omar figures out exactly what the new law says. It would be premature to use anticipated changes to the law to predict revenue at this time.
- B. Our biggest change in revenue this year is our CH 41 payment. This calculation is based on one year old appraisal values. If you recall these only increased less than .5% last year. This year they raised 5.76% which will impact next year's CH 41 payment. Significant changes to our budget that have permanent implications (such as pay raises) might put us in jeopardy as time progresses.

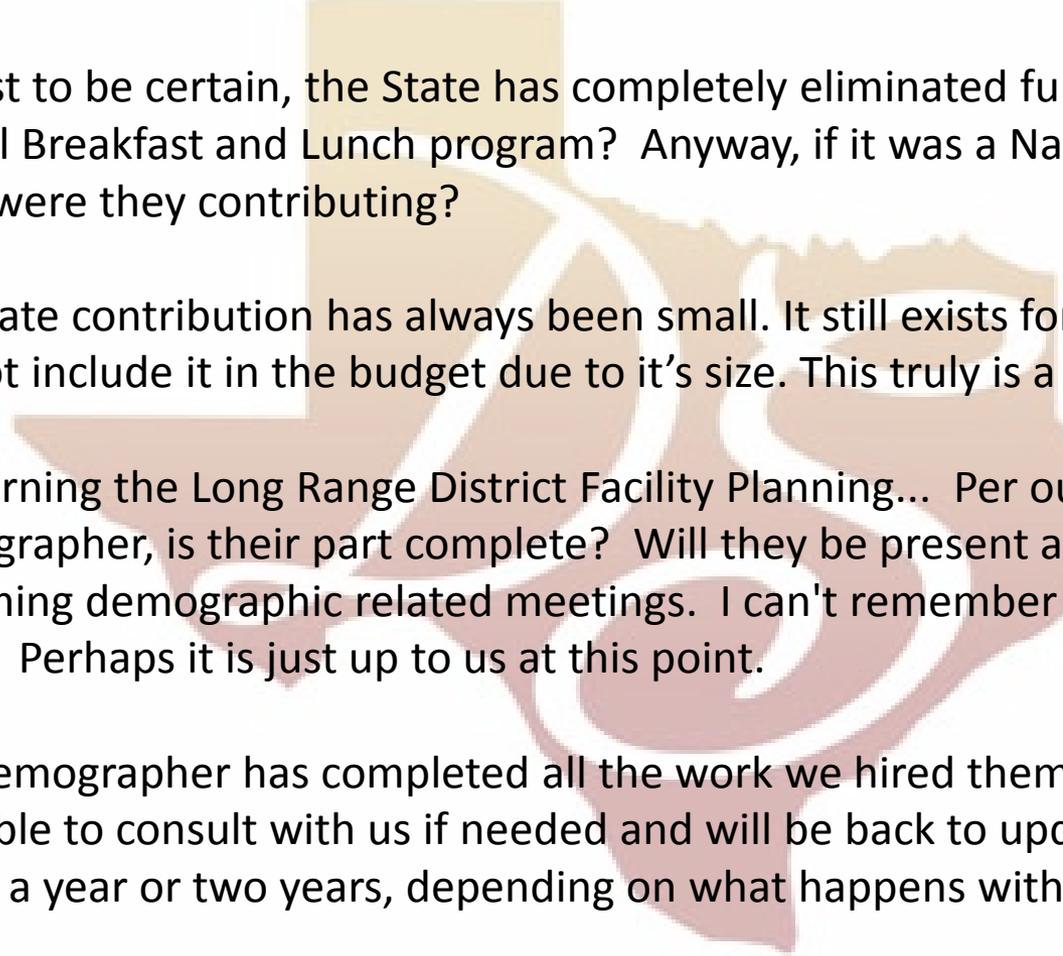
QUESTIONS/COMMENTS

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4. Can you tell me how much money and what resources (personnel, etc) is required to get us away from the teachers performing janitorial duties and back to what we provide prior to the cuts? Also, did you consider this as an option when you pieced together the budget?
- A. We eliminated 11 custodial positions over 2 years at a cost of almost \$300,000. This did not come up as a topic during any of our budget conversations this year, so it has not been considered for replacement. We also felt that a pay raise for all employees was more important.
5. How is it possible that you're able to add a superintendent secretary to the list of items funded for the central office and it doesn't impact the numbers we've reviewed?
- A. The actual cost of this new position is the cost of a CO receptionist because of restructuring. We were able to reallocate funds within the function to make it work.

QUESTIONS/COMMENTS

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5. Who applied for the additional 6 cent reimbursement from Healthy Free Children's Hunger Act? They deserve a "pat on the back." Also, I think it would be good to briefly mention our participation in the Farm to Table program purchasing locally grown fresh fruits and vegetables.
- A. This was the responsibility of the Child Nutrition Department under the able guidance of John Crowley. He absolutely deserves your "pat on the back" for his great work with child nutrition and health while managing a tight budget.
6. Why the reduction in staff development? Not a huge amount. Just curious. Does it have anything to do with the iPad training this year?
- A. Not exactly. We budgeted more than was required this year and so made the adjustment for next year.
7. Very big drop in Contracted Instructional Services budget allocation. Why/how?
- A. This is the CH 41 payment reduction.

QUESTIONS/COMMENTS

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8. So, just to be certain, the State has completely eliminated funds for the National School Breakfast and Lunch program? Anyway, if it was a National program, what were they contributing?
- A. The state contribution has always been small. It still exists for next year but we did not include it in the budget due to it's size. This truly is a national program.
9. Concerning the Long Range District Facility Planning... Per our contract with the demographer, is their part complete? Will they be present at any of the upcoming demographic related meetings. I can't remember (from last time). Perhaps it is just up to us at this point.
- A. The demographer has completed all the work we hired them to do. They are available to consult with us if needed and will be back to update the study in either a year or two years, depending on what happens with enrollment.

A stylized map of Texas in shades of brown and tan. Overlaid on the map is a large, white, cursive logo consisting of the letters 'L' and 'S' connected together. The text 'QUESTIONS/COMMENTS' is centered over the map in a black, serif font with a white outline.

QUESTIONS/COMMENTS